



Highlights

- The Congress Small Cap Growth Portfolio (“the Portfolio”) returned 3.3% (net of fees) vs -2.9% for the Russell 2000 Growth Index (“the Index”) in 2Q24. The Index declined amidst the hawkish repricing of interest rate cuts, as well as the underperformance of SuperMicro (SMCI), which sold off after exuberance earlier in the year.
- Broad-based security selection aided Portfolio performance as three sectors contributed over 100bps to relative return. Technology was the top contributing sector, driven by holdings within the semiconductor industry as well as not owning SMCI, which does not meet our investment criteria. This was partially offset by selection in Materials.
- We believe small caps offer an attractive value proposition. The forward P/E of the Russell 2000 Growth Index relative to the Russell 1000 Growth Index is at a 34% discount to long term averages with higher earnings growth estimates for next 12 months (+20.7% vs +15.2%).
- The Portfolio has shown an ability to participate in up markets and mitigate risk in down markets, relative to its Index. Since inception, the Portfolio has a 107% up capture and 72% down capture and has compounded capital 4.4x vs 2.5x for the Index, net of fees.

Economic Review

- Artificial Intelligence (AI) dominated investor psyche and drove market performance during the quarter. Market sentiment was also supported by the expectation of a continued expansion, a rebound in corporate earnings, and Fed interest rate cuts.
- We believe the transition to lower interest rates will be slow and longer-term rates are likely to remain elevated, which will have significant investing implications.
- The US economy’s underpinnings remain constructive, fortified by continued strength in the labor market, a healthy consumer, and strong corporate balance sheets.
- Despite anticipated volatility, domestic markets remain attractive. Stocks should benefit from continued spending and, for those seeking current income, short and intermediate bonds offer attractive yields.

Portfolio Review

- Index returns were sharply negative to start the quarter as higher inflation prints and continued economic strength led to a hawkish repricing of interest rate expectations. Index returns were positive in May on strong corporate earnings but weaker in June.
 - We outperformed in each month of the quarter, particularly in May as our holdings had robust earnings. Seven of our holdings were up 10% or more on earnings while only two were down 10% or more.

Portfolio Review continued

- The Portfolio benefited from its Technology holdings, particularly Nova and Onto Innovation, both semiconductor companies with AI exposure that saw solid revenue growth and forward guidance. Within Consumer Discretionary, Boot Barn led performance on resilient sales trends. Within Industrials, Aerovironment aided performance on strong results and newly announced program awards and contracts for military drones.
- Materials modestly detracted from relative performance, largely due to our exposure to Knife River, as rebounding interest rates likely drove incremental caution around industry dynamics.
- We continue to find opportunities to upgrade the Portfolio, and during the quarter we added positions in Healthcare, Consumer Discretionary, Technology, Materials, and Financials.

Outlook

- We are committed to staying high quality, which we believe is especially important as rates are expected to stay elevated and ~30% of the Index has negative trailing earnings.
 - We remain focused on persistent growth, profitability, and strong balance sheets, which we believe will help shield our portfolios from moderating economic growth and elevated rates.
- The Portfolio maintains exposure to several themes that are expected to drive growth, including AI, data center buildout, and reindustrialization.

Average Annualized Performance (%) as of 6/30/2024

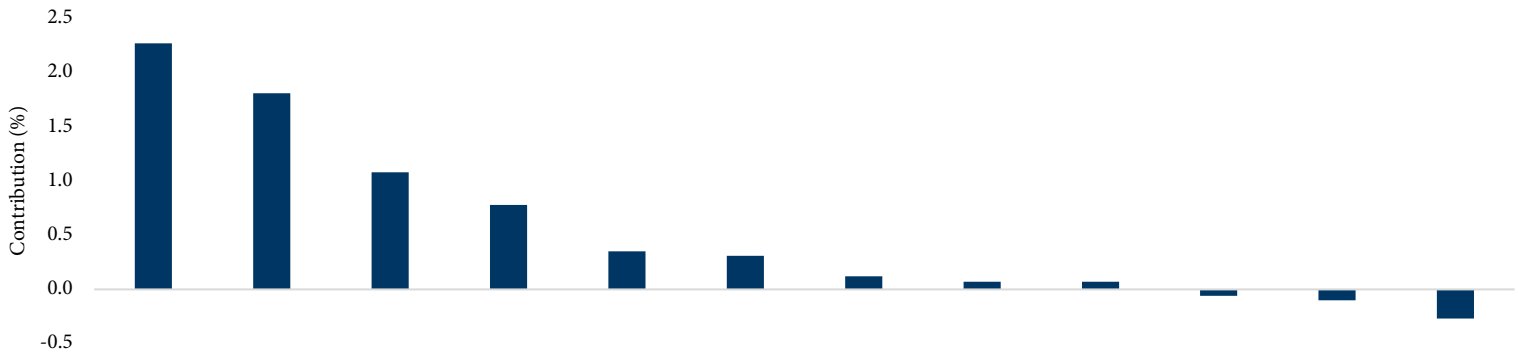
| | QTD | YTD | 1 Yr | 3 Yrs | 5Yrs | 10 Yrs | Since Inception (7/1/2013) |
|------------------------------------|------|-----|------|-------|------|--------|-------------------------------|
| Small Cap Growth Composite (Gross) | 3.4 | 9.3 | 11.3 | 4.5 | 14.4 | 14.2 | 14.9 |
| Small Cap Growth Composite (Net) | 3.3 | 8.9 | 10.6 | 3.8 | 13.8 | 13.7 | 14.4 |
| Russell 2000 Growth [*] | -2.9 | 4.4 | 9.1 | -4.9 | 6.2 | 7.4 | 8.9 |

Past performance does not guarantee future results

Data is as of 6/30/2024. Sources throughout this presentation: Congress Asset Management, FactSet, Russell Investments, and Morningstar Direct. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings and sector weightings are subject to change and should not be considered investment advice or a recommendation to buy or sell a particular security. Actual holdings may vary by client. Past performance does not guarantee future results. Gross performance shown does not reflect the deduction of investment management fees and certain transaction costs, which will reduce investment performance. This information is supplemental to the GIPS Report. Performance returns of less than one year are not annualized. This managed account strategy involves risk, may not be profitable, may not achieve its objective, and may not be suitable or appropriate for all investors. Investors should consider the investment objectives, risks, and fees of this strategy carefully with their financial professional before investing. Actual client account holdings and sector allocations may vary. Performance is preliminary and subject to change at any time.



% Total Effect Portfolio vs. Index¹ 3/31/2024 - 6/30/2024



| | Info Tech | Industrials | Cons Disc | Cons Staples | Financials | Health Care | Cash | Energy | Real Estate | Utilities | Comm Services | Materials |
|-------------------|-----------|-------------|-----------|--------------|------------|-------------|------|--------|-------------|-----------|---------------|-----------|
| Allocation Effect | 0.07 | -0.01 | -0.09 | 0.38 | 0.05 | 0.00 | 0.12 | 0.02 | 0.07 | -0.06 | -0.10 | -0.07 |
| Selection Effect | 2.20 | 1.82 | 1.17 | 0.40 | 0.30 | 0.31 | -- | 0.05 | -- | -- | -- | -0.20 |
| Total Effect | 2.27 | 1.81 | 1.08 | 0.78 | 0.35 | 0.31 | 0.12 | 0.07 | 0.07 | -0.06 | -0.10 | -0.27 |

Top 5 Contributors/Detractors

| STOCK | AVG. WEIGHT% |
|------------------------------|--------------|
| Boot Barn Holdings, Inc. | 3.26 |
| Sprouts Farmers Market, Inc. | 3.36 |
| Nova Ltd. | 2.68 |
| Onto Innovation, Inc. | 3.30 |
| AeroVironment, Inc. | 3.72 |

Boot Barn Holdings, Inc. (BOOT) is the nation's leading lifestyle retailer of western and work-related footwear, apparel, and accessories. Quarterly results benefited from sales that exceeded expectations with broad-based improvement displayed across sales categories throughout the quarter. This momentum has continued into the current quarter's sales updates.

Sprouts Farmers Market, Inc. (SFM) is a specialty retailer operating grocery stores focused on fresh, natural, and organic products in a unique shopping experience. Quarterly results were better than expected, demonstrating consistent sales growth, strong store traffic, and continued margin expansion. SFM continues to attract customers with its differentiated product assortment.

Nova Ltd. (NVMI) is a leading innovator of optical metrology solutions exclusively for the semiconductor manufacturing industry. NVMI is experiencing an acceleration in front-end wafer manufacturing equipment due to the demand for increasingly complex chips. Additionally, its solutions are now being adopted in the back-end of manufacturing where NVMI historically had limited presence, a trend driven by increased AI related spending.

Bottom 5 Contributors/Detractors

| STOCK | AVG. WEIGHT% |
|------------------------|--------------|
| Progyny, Inc. | 1.88 |
| Skyline Champion Corp. | 2.38 |
| Chuy's Holdings, Inc. | 1.73 |
| Enpro, Inc. | 2.45 |
| SM Energy Company | 2.97 |

Progyny, Inc. (PGNY) is a fertility benefits management company. Quarterly results were disappointing, causing the company to lower full-year guidance below market expectations. Management cited uncertainty in the regulatory environment as a possible factor contributing to the business's underperformance during the quarter. Despite the near term dip in utilization of fertility treatments, the expanding market for fertility treatment continues to encourage more employers to offer fertility benefits to their employees.

Skyline Champion Corp. (SKY) is a leading producer of factory-built housing in North America, specializing in manufactured and modular homes for both single and multifamily housing markets. Average selling prices for homes remained under pressure as consumers opted for homes with fewer features. Additionally, remediation costs related to water intrusion issues in some previously sold homes impacted margins.

Chuy's Holdings, Inc. (CHUY) owns and operates full-service restaurants across 16 states, offering a unique menu of authentic, made-from-scratch Tex-Mex inspired dishes. Poor weather conditions in their regions, coupled with broader macro challenges in the restaurant industry, led to quarterly results falling below management's expectations.

Information is as of 6/30/2024. Sources: Congress Asset Management and Factset Research Systems. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings, sector weightings and securities identified as top contributors and detractors throughout this presentation are subject to change and should not be considered investment advice or a recommendation to buy or sell a particular security. Actual holdings may vary by client. The securities identified do not represent all the securities purchased, sold or recommended to clients. For information regarding the methodology used to select these holdings or to obtain a list showing the contribution of every holding in the strategy's composite account, which we believe is most representative to both a current and/or prospective client, please contact us at 1-800-234-4516. Gross performance shown does not reflect the deduction of investment management fees and certain transaction costs, which will reduce investment performance. Past performance does not guarantee future results. ¹The information shown is for a representative account as of 6/30/2024.



Portfolio Activity

| Purchases | Sector |
|---------------------------------------|------------------------|
| Ligand Pharmaceuticals, Inc. | Health Care |
| Commvault Systems, Inc. | Information Technology |
| Ollie's Bargain Outlet Holdings, Inc. | Consumer Discretionary |
| Knife River Corp. | Materials |
| PJT Partners, Inc. | Financials |

Ligand Pharmaceuticals, Inc. (LGND) is a biopharmaceutical company focused on developing or acquiring technologies that help pharmaceutical companies discover and develop medicines. Ligand's Captisol product improves the solubility, stability, and bioavailability of insoluble ingredients. Management's strategy of growing Captisol and other existing royalty streams while entering into new research partnerships is expected to deliver durable growth in the coming years from a diverse pipeline of opportunities.

Commvault Systems, Inc. (CVLT) provides a scalable platform of solutions to help customers protect their data and enhance cyber resilience in complex hybrid multi-cloud environments. The company's value proposition is evolving from pure data management to the unification of data across multiple environments, with an increased focus on the cyber resilience market. Revenue growth is expected to accelerate as the company completes major platform transitions.

Ollie's Bargain Outlet Holdings, Inc. (OLLI) is an extreme value retailer of brand name merchandise and private label goods. OLLI's growth strategy focuses on unit expansion, aiming to more than double its store base by infilling existing markets and expanding westward. With strong productivity from new units, a solid balance sheet, and ample real estate opportunities, this growth strategy is highly achievable. In the short term, the company is well positioned to succeed as consumers seek value amid growing economic pressures.

Knife River Corp. (KNF) is a construction materials business, generating revenue from the sale of aggregates, ready-mix concrete, asphalt, and contracting services. Favorable industry dynamics and a strategic framework for margin improvement have delivered double-digit earnings growth. Looking ahead, with over 75% of KNF's revenues coming from public spending, the company should benefit from the historic federal infrastructure funding provided by the Infrastructure Investment and Jobs Act and the Inflation Reduction Act.

PJT Partners, Inc. (PJT) is an investment bank focused on strategic and restructuring advisory services. The company has a lower proportion of revenue from M&A advisory compared to its peers, making it less vulnerable to investment banking downturns. PJT is experiencing significant growth in restructuring advisory revenues, a trend we expect to continue as a result of continued market share gains as well as tailwinds to restructuring activity from challenging economic dynamics and elevated interest rates.

| Sales | Sector |
|--------------------------------|------------------------|
| Supernus Pharmaceuticals, Inc. | Health Care |
| WNS (Holdings) Ltd. | Information Technology |
| The Simply Good Foods Co. | Consumer Staples |
| Valmont Industries, Inc. | Industrials |
| Medpace Holdings, Inc. | Health Care |

Supernus Pharmaceuticals, Inc. (SUPN) is a specialty pharmaceuticals company with an established drug portfolio specifically for Central Nervous System disorders such as epilepsy and migraines. Supernus has been experiencing a sales decline in its legacy treatments, including Trokendi. Additionally, the company's new treatment for attention deficit disorder (ADHD), Qelbree, has shown slowing growth, diminishing the company's prospects.

WNS (Holdings) Ltd. (WNS) is a leading Business Process Management (BPM) company. Pressure on project-based work and client-specific issues continue to weigh on WNS's growth rate. Like other IT services companies, there is little visibility into when the market will improve. There are also concerns that the BPM industry may be disrupted by generative AI in the future.

The Simply Good Foods Co. (SMPL) is a food and beverage company offering nutritious snacks. While its Quest brand continues to experience rapid growth and gain market share, the Atkins brand has been disappointing. Recent industry data has also shown slowing consumption in some of the main product categories in which the company participates.

Valmont Industries, Inc. (VMI) is a diversified global manufacturer and provider of highly engineered fabricated metal products for the infrastructure and agriculture markets. Visibility into Valmont's agricultural irrigation business has diminished due to the decline in cash earnings currently experienced by US farmers. If sales volumes continue to fall across the irrigation equipment industry, it will become increasingly challenging for VMI to maintain its elevated margin profile. Consequently, the risk to earnings growth no longer justifies owning the stock, in our view.

Medpace Holdings, Inc. (MEDP) provides outsourced clinical development solutions to biotechnology companies. The position was sold as it reached the Portfolio's market cap guidelines.



Congress Asset Management Co. Small Cap Growth Composite 1/1/2014 - 12/31/2023

| Year | Total Return Gross of Fees % | Total Return Net of Fees % | Russell 2000 Growth Return % (dividends reinvested) | Composite Gross 3-Yr annualized ex-post St Dev (%) | Russell 2000 Growth 3-Yr annualized ex-post St Dev (%) | Number of Portfolios | Gross Dispersion % | Total Composite Assets End of Period (\$ millions) | % of composite represented by non fee paying accounts | Total Firm Discretionary Assets End of Period (\$ millions) | Total Firm Advisory-Only Assets End of Period (\$ millions) | Total Firm Assets End of Period # (\$ millions) |
|------|------------------------------|----------------------------|---|--|--|----------------------|--------------------|--|---|---|---|---|
| 2023 | 21.9 | 21.1 | 18.7 | 19.8 | 21.8 | 410 | 0.83 | 1073 | <1% | 12,146 | 8,514 | 20,660 |
| 2022 | -25.6 | -26.1 | -26.4 | 24.1 | 26.2 | 322 | 0.47 | 537 | <1% | 10,083 | 6,799 | 16,882 |
| 2021 | 41.7 | 40.9 | 2.8 | 20.6 | 23.1 | 303 | 1.24 | 390 | <1% | 12,778 | 8,018 | 20,796 |
| 2020 | 35.8 | 35.3 | 34.6 | 23.8 | 25.1 | 206 | 1.64 | 84 | <1% | 10,746 | 5,523 | 16,269 |
| 2019 | 22.9 | 22.5 | 28.5 | 16.9 | 16.4 | 128 | 0.90 | 41 | <1% | 8,445 | 4,083 | 12,528 |
| 2018 | 2.1 | 1.7 | -9.3 | 17.4 | 16.5 | 103 | 0.69 | 30 | <1% | 7,102 | 3,132 | 10,234 |
| 2017 | 22.4 | 22.0 | 22.2 | 14.8 | 14.6 | 69 | 0.62 | 25 | <1% | 7,272 | 3,274 | 10,546 |
| 2016 | 17.3 | 16.9 | 11.3 | 16.2 | 16.7 | 15 | n/a | 9 | 0 | 5,693 | 2,445 | 8,139 |
| 2015 | 3.0 | 2.8 | -1.4 | n/a | n/a | ≤5 | n/a | 1 | n/a | 5,941 | 1,153 | 7,094 |
| 2014 | 6.1 | 5.9 | 5.6 | n/a | n/a | ≤5 | n/a | 1 | n/a | 6,328 | 1,121 | 7,449 |

#The "Total Firm Assets" column includes unified managed account (UMA) assets

Congress Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Congress Asset Management has been independently verified for the periods 1/1/96 – 12/31/23. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Small Cap Growth Composite has had a performance examination for the periods 1/1/18 – 12/31/23. The verification and performance examination reports are available upon request.

Firm Information: Congress Asset Management Co. (CAM) is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Registration does not imply a certain level of skill or training. CAM manages a variety of public equity, private equity, fixed income, and ETF managed portfolios for private and institutional clients. CAM acquired Prelude Asset Management, LLC on March 15, 2010. CAM merged with Congress Capital Partners, LLP on June 30, 2015. CAM acquired certain strategies of Century Capital Management, LLC on September 15, 2017.

Composite Characteristics: The creation and inception date of the Small Cap Growth Composite is July 1, 2013, which reflects the first full month an account was fully invested in the strategy and met the inclusion criteria. The composite includes all fully discretionary portfolios with a value over \$100 thousand (US dollars) managed in the small cap growth style for a minimum of one full month. The small cap growth strategy invests in the equity of high-quality companies with market capitalizations between \$300 million and \$4 billion (at the time of purchase) exhibiting consistent earnings growth. Accounts with wrap commissions are excluded from the composite. Prior to January 1, 2016, the composite minimum was \$50 thousand (US dollars). The primary composite benchmark is the Russell 2000 Growth Index. The benchmark returns are not covered by the report of the independent verifiers. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. A list of composite descriptions, a list of broad distribution pooled funds, and a list of limited distribution pooled fund descriptions are available upon request.

Calculation Methodology: Valuations and returns are computed and stated in U.S. dollars. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Net of fees returns are calculated using actual management fees. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for equity securities are included in calculations. Internal dispersion is calculated using the asset-weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. It is not presented prior to 2016 because 36-month returns were not available.

Fee Schedule: The firms' individual account fee schedule is as follows: 1.00% for first \$1 million, 0.80% for next \$4 million, 0.60% for next \$5 million. Management fees for individual accounts with assets under management exceeding \$10 million, and for institutional accounts are negotiated. The individual account fee schedule may be subject to negotiation where circumstances warrant. As fees are deducted quarterly, the compounding effect will increase the impact of the fees by an amount directly related to the gross account performance. For example, an account earning a 10% annual gross return with a 1% annual fee deducted quarterly would earn an 8.9% annual net return due to compounding. The management fee schedule and expense ratio for the Small Cap Growth Fund Institutional Shares is 0.85% and 1.00%, respectively. The management fee schedule and expense ratio for the Small Cap Growth Fund Retail Shares is 0.85% and 1.25%, respectively.

Other Disclosures: Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

